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Executive Summary

Introduction

This is the fourth annual outcome evaluation of Alaska's workforce training system, as required by AS 23.15.580. It analyzes the results of twelve of the state's workforce training and education programs under AS 23.15.580(f).

The purpose of the evaluation is to report the results of workforce training and recommend areas for improvement. The report discusses the results of the programs in terms of the four goals for the state training system set by the Alaska Human Resource Investment Council (AHRIC). These goals include:

1. **Evaluation and Assessment:** Evaluations of each program under AHRIC's oversight to optimize participant employability.
 2. **Employment and Placement:** To ensure access to quality job training and employment services statewide, particularly in rural areas and for economically disadvantaged citizens.
 3. **Workforce Readiness:** Strengthen the involvement of business and industry in developing Alaska's workforce.
 4. **Policy and Planning:** Advocate for Alaska's human resource investment programs and promote continuous improvement through evaluation, access, quality, and employer involvement.
- The Programs discussed in this report will be evaluated according to standards adopted by the AHRIC with regard to the following:
1. **Employment:** The percentage of former participants who have a job one year after leaving the training program;
 2. **Earnings:** The median wage of former participants seven to twelve months after leaving the program;
 3. **Training Relevance:** The percentage of former participants who were employed after leaving the training program and who's jobs were related to the training received seven to twelve months after leaving the training program;
 4. **Participant Satisfaction:** The percentage of former participants of a training program who indicate that they were satisfied with or somewhat satisfied with the overall quality of the training program;
 5. **Employer Satisfaction:** The percentage of employers who indicate that they were satisfied with the quality of the work of new employees who had recently completed the training program.

The Alaska Department of Labor and Workforce Development, Research and Analysis Section performed the research for this report. Agencies provided program participant social security numbers, training start date, training completion or exit date, and the participant demographic information including the type of training provided when available.

Participant records were matched with historical unemployment insurance wage records, Washington State UI wage records, federal military and federal civilian payroll records, Alaska Permanent Fund Dividend Files, Alaska business license files, Alaska occupational license files, and other training program files.

It is important to note that participant data presented in this report represents all exiting participants, not just those who completed programs. Participants are defined as individuals who entered a program and demonstrated the intent to complete a sequence of program activities. Therefore the number of participants who left their program prior to completion, affects the results. Readers are also cautioned to bear in mind that participants may have entered more than one program, which will cause some duplication.

Program and Participant Characteristics

Figure 1 briefly describes the 11 programs included in this report.

The training programs are grouped into clusters based on participant characteristics:

1. Adult training programs
2. Programs serving adults with barriers to employment
3. Programs serving youth

Throughout this summary, results are grouped into these three clusters.

The single most important factor in determining program results is characteristics of the individuals who entered the program. For this reason it is vital to consider the demographic characteristics of program participants. Programs serving individuals with significant work experience and basic skills can be expected to have higher labor market outcomes than those serving participants with little skill or experience.

Readers should also consider that employment and earnings criteria are difficult to apply to programs for youth, since a majority of youth performance criteria do not emphasize employment based outcomes. This is particularly true for the 14-18 year old portion of the youth population, which accounts for over 90% of all youth enrolled. The performance goals for this population include various educational skill attainments and are not employment based. In other words, for the vast majority of youth enrollees, employment related criteria are not applicable.

Programs Included in Training Program Performance 2000

Figure 1

Adult Training	Alaska Technical Center	Adult Vocational Education. Designed to meet the vocational and technical training needs of rural Alaskans, it has four core areas: office occupations, building industrial technology, industrial mine maintenance, and health occupations.
	Alaska Vocational Technical Center	Technical and related training in Seward to students throughout Alaska. The program provides market driven education in response to the needs of Alaska's business and industry, in career areas such as allied health, business & office technology, applied technology, food service technology, learning resources, physical plant technology and marine & fisheries.
	UA Vocational Education	Adult vocational training at UA campuses throughout Alaska.
	WIA Title 1B Dislocated Worker Program	Provides employment and training services for dislocated workers. Services available include career counseling, testing, job placement, occupational training, relocation assistance, and other services.
	State Training & Employment Program	Funded by a percentage of employee contributions to the Alaska unemployment insurance trust fund. STEP provides training and/or reemployment assistance to unemployed or under-employed workers who have contributed to the fund.
	NAFTA/TAA	Federal entitlement program. This program offers help to workers who lose their jobs or whose hours of work and wages are reduced as a result of increased imports from Canada or Mexico.
	Training and Vocational Education Program	In FY 2001, a percentage of employee contributions to the Alaska unemployment insurance trust fund were directed to the University of Alaska, Alaska Vocational Technical Center, and Alaska Technical Center.
Adults W/Barriers	WIA Title 1B Adult Program	Provides training and services for adults who face multiple barriers to employment. Services include needs and ability assessment, classroom training, on-the-job training, job search assistance, work experience, counseling, and basic skills training.
	Work Search	Four-week program intended to help Alaska Temporary Assistance (ATAP) clients in their efforts to obtain and keep a job. Work search attempts to move clients into the workforce as quickly as possible. All ATAP clients who are not exempt from participating in work activities are required to attend Work Search.
Youth	WIA Title 1B Youth Program	Summer youth employment and training program. This program is designed to improve the basic education skills, encourage school completion, provide exposure to work, and enhance citizenship skills. The targeted population is low-income youth ages 14 – 21. Year-round youth program. This program provides training and employment programs to both in-school and out-of-school youth. Services may include adult services, limited internships in the private sector, school-to-work transition services and alternative high school services. The targeted population is low-income youth ages 16-21.
	Carl Perkins Vocational Programs	The Carl Perkins Vocational and Technical Education Act of 1998 was implemented to assist in the development of the academic, vocational and technical skills of secondary and post-secondary students that choose to enroll in vocational and technical education programs.

Performance Measures

In compliance with AS 23.15.580(f), the Alaska Human Resource Investment Council has established performance standards for the three broad categories of programs listed in **figure 1**. The standards were adopted by the AHRIC following the release of the 1999 Training Program Evaluation.

Figure 2 shows the performance standards adopted by the AHRIC along with the actual results achieved in FY 2000.

While data on customer satisfaction is not yet available, results in employment and earnings meet and exceed the adopted standards across the three broad categories.

Figure 2

Alaska Training Program Performance Standards and Outcome for FY 2000						
Criteria	Adult Programs		Adults with Barriers		Youth Programs	
	Standard	Actual	Standard	Actual	Standard	Actual
Employment	65%	66.4%	60%	64.3%	50%	59.7%
Earnings	\$4,500	\$10,804	\$3,500	\$4,416	\$2,000	\$2,595
Training Relevance	50%	66.2%	50%	NA	50%	NA

Source: Alaska Department of Labor and Workforce Development, Research and Analysis.

The first measure of training program success is whether participants gained employment as a result of their training. **Figure 3** is a historical comparison of performance in this area. In FY 2000 Work Force Investment Act (WIA) programs replaced the JTPA programs. For this reason the historical comparison is not provided for those programs.

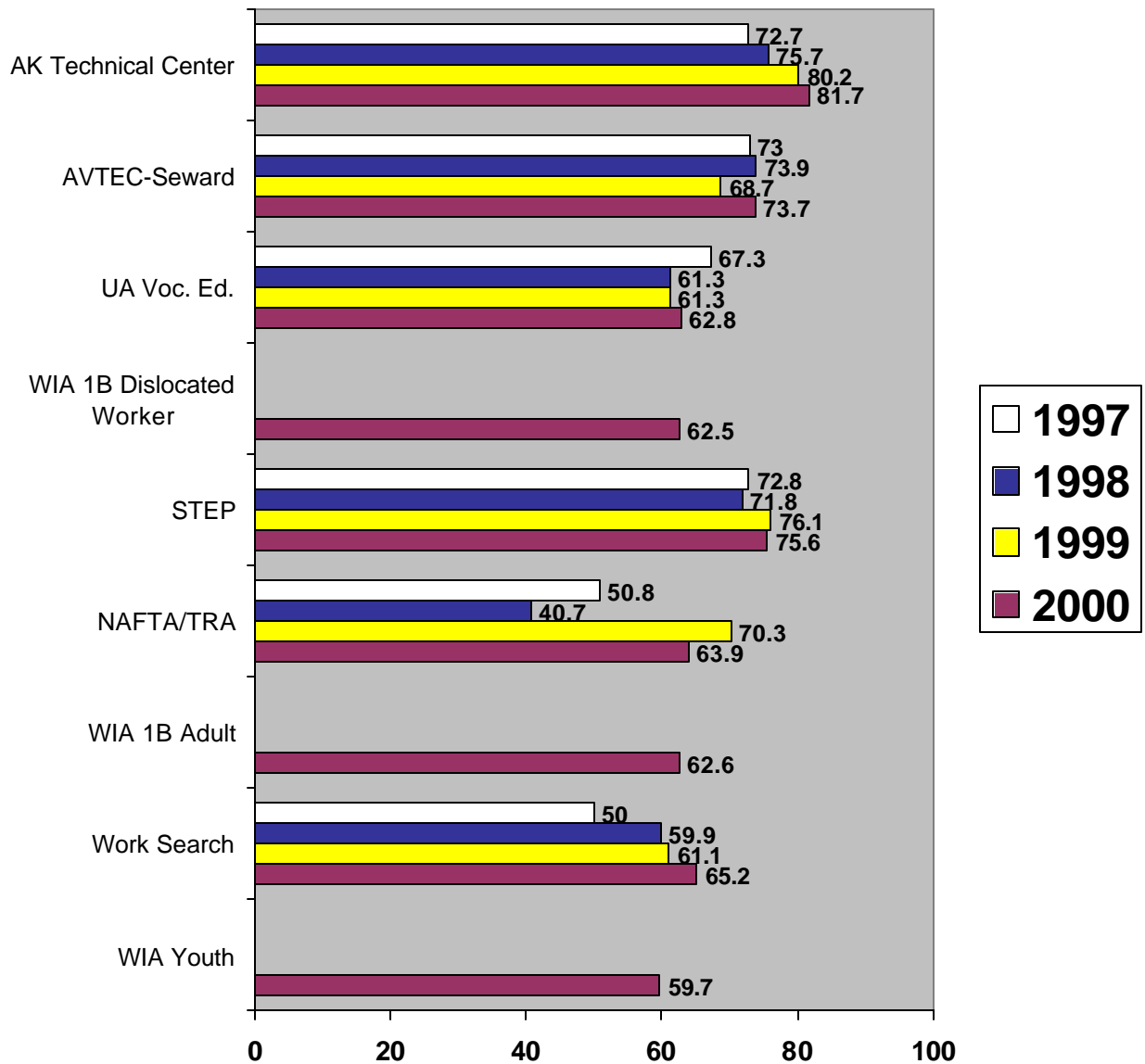
FY 2000 saw improved employment performance in all programs except NAFTA/TRA. Employment for those exiting STEP slipped by a mere one-half of one percent while NAFTA/TRA dropped by nearly six and a half percent.

The largest gains were seen by the AVTEC-Seward program and by Work Search. The percentage of participants who were employed 7 to 12 months after exiting the AVTEC program rose 5%.

Employment for the Work Search program increased 4.1%. AVTEC, located in Seward, provides training in career areas such as allied health, business & office technology, applied technology, food service technology, learning resources, physical plant technology and marine & fisheries. Work Search serves Alaska Temporary Assistance Program (ATAP) clients. All ATAP clients not exempt from work activities are required to participate.

**Percent of Exiting Program Participants
Employed in Months 7 to 12 Following Exit**

Figure 3



Source: Alaska Department of Labor and Workforce Development, Research and Analysis.

Overall data indicate that participants in the assessed programs have a better than 67% likelihood of being employed 7 to 12 months after exiting the program. This represents a slight increase from FY 1999 when the employment rate was just over 65%. It should be noted again that these figures represent all individuals who *exited* a program – not just those who actually *completed* a program.

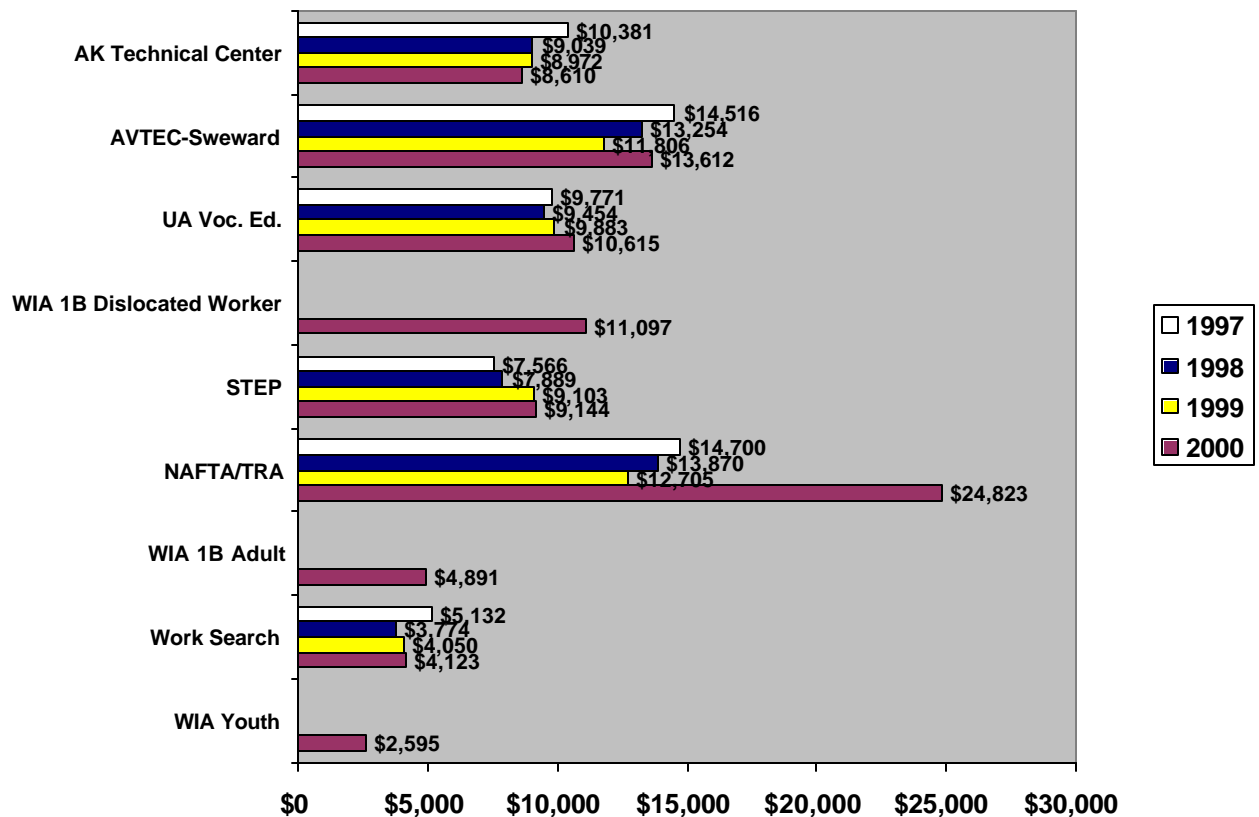
The Second measure of success for training programs is the level of participants' earnings after training. The reader is cautioned that comparison of earnings between programs is

inappropriate due to the impact of age and barriers on earnings.

Most programs experienced moderate decline in earnings over the last four years due to the loss of jobs in some high-wage, high-skill sectors and job creation in the low-wage service sector. The exceptions are the UA Vocational Education Program and STEP, where earnings have consistently increased from year to year. Also, AVTEC-Seward and NAFTA/TRA rebounded in FY 2000 following previous losses. Given this trend, it is vital that Alaska continues to support development in high-wage industries.

Median Total Earnings of Exiting Program Employees in Months 7-12 Following

Figure 4



Source: Alaska Department of Labor and Workforce Development, Research and Analysis.

The third measure of success for training programs is whether participants gained employment in jobs related to the training they received. Currently, only adult program participant training relevance data is available. For this population, 66.2% of those participants working were employed in occupations directly related to the training they received.

Data collected on youth ages 14-18 does not demonstrate a high relationship between training and employment. This is due to the broad range of acceptable outcomes aside from employment.

The third and fourth measures are related to customer satisfaction, both for participants and employers. Satisfaction data is still unavailable. What little information that has been collected is not useful for analysis, historical comparison, or future prediction because of the small number of respondents.

Council Actions

Evaluation and Assessment

Goal: Evaluate each program under AHRIC's oversight to optimize participant employability

The Evaluation and Assessment Committee has been addressing the implementation of nationally recognized, industry based skill standards and occupational certifications. The committee has engaged in positive dialogue on the issue and plans to take action in the near future. The committee will work with representatives from each

WIB as we address the National Skill Standards issue.

The committee is also addressing completion rate as a performance measure in cooperation with the Department of Labor and Workforce Development. Training providers have been asked to submit completion data on mail out surveys so they can be considered for statewide and local area lists. At this time the AHRIC is in the process of adopting a benchmark.

The Evaluation and Assessment Committee adopted Resolution number 01-07 on October 6, 2001. The resolution addresses training provider eligibility performance levels. The minimum employment rate was set at 65% and the minimum earnings level set at \$3,500 in a calendar quarter.

The committee is also in the process of developing a self-assessment tool for council members. This will provide further guidance to council members with regard to duties and expectations for individual and overall council performance.

Employment and Placement

Goal: Ensure greater access and opportunity to quality job training and Employment services statewide, particularly to rural areas, economically disadvantaged citizens, and Alaskans with disabilities.

Alaska's one-stop career center system is successfully providing services at the local level across the state at nine full service job centers and thirteen satellite centers. Administration of the Alaska Job Center Network system has been

transferred to the DOL Division of Employment Security and the two Local Workforce Investment Boards. The AHRIC has remained involved to continuously improve program outcomes and customer service for employers and job seekers through the one-stop system.

The Denali Commission, a federal/state commission, whose mission is to improve infrastructure, education, training and employment in rural Alaska, has been a helpful partner in improving statewide services. The Department of Labor received a \$2 million Denali Commission grant which has helped provide training opportunities for rural Alaska residents on infrastructure projects in their region.

The Employment and Placement Committee and the Workforce Readiness Committee have identified common areas in their committee goals, and have met jointly for some time to work toward common goals. The committees have spent a considerable amount of time working toward implementation of nationally recognized, industry based skill standards and occupational certifications.

Workforce Readiness

Goal: Strengthen the involvement and ability of business, industry and the education system to provide coordinated programs and service delivery to promote progressive, lifelong occupational learning, skill transferability, credential portability, and worker mobility.

The Workforce Readiness Committee provides oversight for training, education, and employment programs to

ensure the programs are delivering education and training that is relevant to local market needs and the career goals of state residents.

The committee has worked to build partnerships between employers and quality workforce training programs, and connect state, public, and private education systems with business, government, and labor to ensure that state residents are learning skills pertinent to employer needs.

The Business Learning Consortia in Alaska provide the best example of the AHRIC's efforts to create partnerships between employers and training programs. The AHRIC has helped to convene industry workforce development groups in Health Care, Information Technology, Construction, Fisheries, Hospitality, and an industry group composed of oil, gas, mining, and utility processing. The industry groups have worked successfully with the University of Alaska and other training providers to customize training for their particular industry.

The committee is charged with developing the "Priority" list for use in the Alaska Technical and Vocational Education Program. The committee conducted an extensive survey of stakeholders, reviewed occupational and industry forecasts provided by the Research and Analysis Section of DOLWD, reviewed studies conducted by industry groups and others, and analyzed reports and plans for economic development in developing the "Priorities". The committee identified four industries as priorities: construction, health care, information technology, and transportation. Resultant from that, R&A

identified the top 100 occupations with the greatest 'demand'.

Policy and Planning

Goal: Advocate for and promote continuous improvement of Alaska's workforce development system through employer involvement, evaluation, access and alignment of education and training programs.

The Policy & Planning Committee acts as an ad hoc nominations committee and accepts nominations for the offices of Chair and Vice Chair to the Alaska Human Resource Investment Council annually and forwards the nominations to the council for their consideration. An election was held in March 2001 and officers were elected.

As directed by the AHRIC Executive Committee, the Policy and Planning Committee met to develop recommendations on implementing the AHRIC's *Alaska's Future Workforce: Strategic Policies and Investment Blueprint*. The committee met early in 2001 and recommendations were developed, including the writing of a memorandum of understanding that would commit partner agencies to the Blueprint's principles and recommendations; pursuing funding for the implementation of the Blueprint's recommendations; and the development of a marketing plan to promote the Blueprint. Recommendations were forwarded to the council.

The committee also took the lead on updating the AHRIC strategic plan. Goals and action steps were reviewed and modified by the four standing committees and forwarded to the Policy

& Planning Committee. The committee then aligned the strategic plan with the Blueprint and put it in final form. The council adopted the revised plan when it voted in favor of Resolution 01-12 on October 6, 2001.

The committee worked with the DOL to develop a "State Workforce Investment System 2001 Communications Plan" to use as a marketing tool. The plan was completed and submitted in December 2001.

Senate Bill 334 (Chapter 085 SLA 1998) and Senate Bill 289 (Chapter 132 SLA 2000) mandated that the council develop regulations concerning the State Training and Employment Program and the State Technical and Vocational Education Program. The Policy & Planning Committee assisted in this process and took the regulations through the adoption process. Amendments to 8 AAC 87 concerning the Dept. of Labor & Workforce Development's State Training and Employment Program have been adopted. Amendments to 8 AAC 84 and 8 AAC 86, concerning the Alaska Human Resource Investment Council and the State Technical and Vocational Education Program will be considered for final adoption at the AHRIC's February 20-21 council meeting.

The committee also took the lead in writing the *State of Alaska Workforce Investment Act Title I-B Annual Report PY 2000*. It was submitted to the federal Department of Labor on December 3, 2001.

Strengths and Recommendations

Strengths Identified in Training Program Performance – 2000

As noted earlier, overall employment figures continue to increase among Alaska's training programs. Only NAFTA/TRA and STEP saw small slips in employment percentages. However, STEP significantly exceeded the 65% employment performance standard, reporting that 75.6% of participants exiting the program were employed 7 to 12 months following exit.

According to the Alaska Department of Labor and Workforce Development, Research and Analysis Section, more than 82% of participants who found employment after exiting training were employed in the private sector. Top employers of training program participants were State of Alaska, University of Alaska, RuralCAP, Yukon-Kuskokwim Health Corp., VECO, Safeway, Alaska Petroleum Contractors, Providence Hospital and Anchorage school district.

Median earnings also out-performed standards across the board. In fact, in adult programs actual earnings (\$10,804) more than doubled the standard (\$4,500). Only one program saw a decrease in earnings; AK Technical Center saw a drop of only \$362 (from \$8,972 to \$8,610). In the mean time, program participants are proving to be significantly better off following training. In the 12 months following training, participant income was 15.7% higher than it was in the 12 months prior to training.

The bottom line is that more Alaskans are finding employment following their exit from training and, they are making more money than they did before entering a training program.

Summary of Progress and Commitment to Continuous Improvement

The AHRIC is strongly committed to continuously improving Alaska's workforce training system. That includes improving the way the AHRIC itself operates. In the future, the AHRIC will be making greater use of its own Executive Committee as a decision making body. This improvement will expedite the decision making and policy development process. Meetings will also increasingly be conducted face-to-face rather than via teleconference.

In previous reports the AHRIC made several specific proposals. In the following paragraphs those recommendations are highlighted, along with a summary of actions taken and recommendations for further action.

Previous Recommendation: *Programs serving adults and adults with barriers should provide non-traditional and industry specific training opportunities.*

Alaska has been effective in the past year promoting industry specific training. The AHRIC established priorities for training resources and established performance standards for training programs accessing Individual Training Account Funds. The AHRIC is currently addressing the skills standards issue and continues to advocate for a standardized approach to evaluating the

performance of training programs and assessing the needs of employers.

Previous Recommendation: Private and public post-secondary training programs should, where appropriate, align training opportunities with the secondary curriculum of the six career pathways.

AHRIC completed a memorandum of agreement between itself and the Department of Education and Early Development with the goal of defining the means and scope of collaboration between the two. This is an opportunity to have more influence at the post-secondary and secondary levels on developing training programs that are industry driven. We continue to advocate for further alignment and integration. Other partners including labor, native organizations and economic development partners need to become part of the agreement with the Department of Education and Early Development.

Previous Recommendation: Additional training resources and strategies are needed to meet the needs of rural Alaska.

The AHRIC continues to foster closer ties with groups representing rural and Native populations. In the Spring of 2002, the AHRIC will collaborate with the Alaska Department of Community and Economic Development, the Balance of State Workforce Investment Board (BOSWIB) and the Alaska Native Coalition on Employment and Training (ANCET) in an economic development conference. ANCET and others will then have input on the agenda for AHRIC's fall WIA conference.

Previous Recommendation: Programs like the State Training and Employment Program (STEP) should be used to enhance the incumbent worker training tool of the Workforce Investment Act (WIA).

The role of the STEP program in these efforts is to support, not replace, existing training resources. This is significant because Alaska's training resources are dependent upon federal formula allocations rather than Alaska's specific industry or employer needs. The leveraging of these federal resources can only be achieved when we can direct their outcome through our own investment and directing of our training resources.

Previous Recommendation: It is important to fund and develop technical and vocational education training programs to nationally competitive standards.

Through our *targeted industry needs* the AHRIC has again focused on the needs of industry in Alaska and has attempted to turn our training resources into a viable tool for affecting Alaska's economic future. More needs be done with our other economic development partners. In addition, industry needs to be consulted more frequently to identify the subtle but important changes that are occurring so that Alaska can respond proactively to these changes.

Previous Recommendation: Adult education and literacy programs must be provided and aligned with the state's training programs.

-And-

Previous Recommendation: *Expand employment based outcomes for literacy programs.*

We need to do more with literacy. Currently Alaska invests nothing in basic education of Adults. This despite a good deal of evidence that demonstrates basic skills are key to successful economic development. The AHRIC is committed to and strongly advocates for state funding for Adult Literacy in order to maximize the success of our vocational programs.

Previous Recommendation: *The youth funds under WIA are insufficient to meet the needs of over 800 youth annually. Additional funds must be obligated to maintain the current level of service.*

A total of \$320,000 of Alaska's Statewide Activity Fund was moved to the youth programs of the Balance of State in an effort to respond to their high concentrations of eligible youth. Alaska's commitment to work first will be wasted if we do not also invest in skills. The future of youth services should include viable employment opportunities.

The AHRIC is committed to developing employment in rural Alaska and appreciates the efforts of organizations like the Denali Commission. However, the question still remains; will Alaska make economic opportunity for youth in rural communities a priority? If not, then we must be prepared to expand the welfare programs when these young people become adults with little or no skills and no opportunities for employment.